

Utah State Building Board



MEETING

January 26, 2005

MINUTES

Utah State Building Board Members in attendance:

Larry Jardine, Chair
Kerry Casaday, Vice-Chair
Steven Bankhead
Katherina Holzhauser
Manuel Torres

DFCM and Guests in attendance:

F. Keith Stepan	Division of Facilities Construction & Management
Kenneth Nye	Division of Facilities Construction & Management
Shannon Lofgreen	Division of Facilities Construction & Management
Blake Court	Division of Facilities Construction & Management
Dave McKay	Division of Facilities Construction & Management
Bruce Whittington	Division of Facilities Construction & Management
Jake Jacobson	Division of Facilities Construction & Management
Jeff Peterson	Division of Facilities Construction & Management
Dwight Palmer	Division of Facilities Construction & Management
Marshall Carter	Division of Facilities Construction & Management
Ricy Jones	Division of Facilities Construction & Management
Alan Olsen	Division of Facilities Construction & Management
Scott Whitney	Division of Facilities Construction & Management
Steve Sendobry	Division of Facilities Construction & Management
Nick Radulovich	Division of Facilities Construction & Management
Joe Ligor	Division of Facilities Construction & Management
D'Arcy Dixon Pignanelli	Department of Administrative Services
Randa Bezzant	Governor's Office of Planning and Budget
Wilson Martin	State History
Bryan Thatcher	State Fire Marshall's Office
Mark Burton	State Fire Marshall's Office
Michael Wollenzien	Office of Rehabilitation
Russell Armstrong	Utah State Hospital
Dennis Cullimore	Utah State Hospital
Mark Payne	Utah State Hospital
Bart Hopkin	Department of Human Services

John Misel	Department of Workforce Services
Greg Peay	Corrections
Kevin Walthers	Utah System of Higher Education
Ryan Thomas	College of Eastern Utah
Stan Plewe	Dixie State College
Bob Askerlund	Salt Lake Community College
Michael Benson	Snow College
Darrell Hart	Utah State University
Randall Funk	University of Utah
Sarah Miller	MHTN Architects
Chris Coutts	MHTN Architects
Jackie McGill	Spectrum Engineers
Barbara Bruno	Herman Miller
Donna Kessler	Henriksen Butler

On Wednesday, January 26, 2005, the Utah State Building Board held a regularly scheduled meeting at the State Archives Building, Salt Lake City, Utah. Chair Larry Jardine called the meeting to order at 10:00am.

☐ **APPROVAL OF MINUTES OF JANUARY 5, 2005**

Chair Jardine sought a motion to approve the meeting minutes of January 5, 2005.

MOTION: Kerry Casaday moved to approve the meeting minutes of January 5, 2005. The motion was seconded by Steve Bankhead and passed unanimously.

Keith Stepan expressed appreciation to Stuart Preece and Patricia Smith-Mansfield of Archives for hosting the meeting. The building was state funded and currently houses Archives and State History. Mr. Stepan acknowledged Wilson Martin of State History; Allen Roberts of Cooper Roberts Architects; Dave McKay of DFCM; and Bob Hyde of Okland Construction. He commended these individuals on their high quality of work on the building and for keeping the project on budget.

Mr. Stepan also acknowledged D'Arcy Dixon Pignanelli, Department of Administrative Services Executive Director, and stated she would be joining the Board later that morning.

Chair Jardine proceeded with the agenda and noted the order would be adjusted to ensure a quorum was present.

☐ **MASTER PLAN UPDATE FOR THE UTAH STATE HOSPITAL.....**

Blake Court introduced Mark Payne, Russell Armstrong and Dennis Cullimore as representatives of the Utah State Hospital. Bart Hopkin was introduced as the director of the Office of Administrative Support of the Department of Human Services.

Mark Payne stated this has been a joint venture for future planning. A master planning effort was held several years ago and several phases have come about from those efforts.

The State Hospital has been in existence since 1885 and is located on Center Street in Provo. They currently house 354 beds and accommodate programs for children, youths, adults, geriatrics and forensics.

Mr. Payne provided a handout identifying a general view of the campus and reviewed the layout of the campus. He proceeded to explain their desires for the future.

The Forensic building was built in January 2000. The Hospital is current asking for funding to replace needed beds. They initially housed 100 individuals, however funding for 26 beds was cut a few years ago. These patients were relocated to jails, but should return to the hospital.

Mr. Payne reviewed the anticipated phasing of the proposed master plan. The first phase is a consideration of the warehouse which was built in 1901. The existing warehouse would be demolished in the first phase, and a new warehouse would be built.

Phase Two would consist of a pediatric center which would encompass the school, housing units and eating facilities in one location. This phase would also address their administration and establish security of the campus. They may also wish to eliminate the medical services building.

The last phase would include recreational areas and future expansion of the forensic unit with the potential to house an additional hundred clients.

Mr. Payne acknowledged this would take several years to accomplish, but felt the plan adequately addresses the available space to perform the needed long term functions.

Keith Stepan questioned the difference of the services provided by the State Hospital and the Developmental Center. Bart Hopkin stated the Developmental Center accommodates 241 patients that are mentally disabled and may not be physically independent. Future growth is not anticipated at the Developmental Center. Mark Payne stated the State Hospital accommodates mentally ill patients, whereas the Developmental Center accommodates mentally retarded patients.

Chair Jardine sought approval of the master plan.

MOTION: Katherina Holzhauser moved to approve the master plan for the Utah State Hospital. The motion was seconded by Manuel Torres and passed unanimously.

❑ LEGISLATIVE UPDATE

Kenneth Nye addressed issues occurring during the legislative session thus far. He referred to the distributed information comparing the recommended capital budget of Governor Huntsman versus those provided by Governor Walker and the Building Board. Governor Huntsman's recommendations were relatively similar to Governor Walker's with a few deletions. Governor Huntsman did not recommend the Developmental Center, the Natural Resource Fire Management Service Facility, the land purchase for the Provo Courts, the Richfield Regional Center, or the Vernal UCAT building. Mr. Nye felt they were not recommended based on budget priorities and further review desired by Governor Huntsman. Governor Huntsman also solely recommended \$150,000 for a study on the feasibility of relocating the Prison from Draper to another location. Mr. Nye sought questions on Governor Huntsman's recommendations.

Chair Jardine noted that the Building Board approved the non-state funded request for the Richfield Employment Center as an option if the Richfield Regional Center did not receive state funding. Kenneth Nye stated it was not approved for non-state funding by either Governor and assumed the intention was to re-evaluate the package again next year. However, if the Regional Center is not funded this year, and the DWS facility proceeds, it would likely preclude them from being included in the Regional Center.

Governor Huntsman also supported the 1.1% funding level for capital improvements. The Fiscal Analyst's recommendation was to fund capital improvements at the 1.1% level with potential for \$1 million for emergencies related to capital improvements, which was remaining from last year's budget actions. As part of the funding for Oxbow Prison last year, the Legislature passed intent language directing the Building Board to allocate \$1.5 million out of capital improvement funds for improvements needed at the Oxbow Prison. When the purchase of the Oxbow Prison failed, an alternative plan was approved to relocate prisoners into the Promontory facility. This addressed the immediate need for prisoners and housing, but some remodeling is required in the Promontory Facility, which could be done through federal VOITIS money. This freed up \$1 million of capital improvement funds which the Legislature asked DFCM to set aside until further direction was received at the next legislative session. The committee is considering intent language to redirect the \$1 million towards emergency projects.

Governor Huntman's recommendations for the operating budget were to restore at least \$1.1 million from the general fund to go towards the operating budget. There is some desire to replace all of the general fund money for DFCM and it is hopeful it will be restored at \$2.2 million. Mr. Nye noted a minor exception to a statute passing a number of years ago requiring at least \$100,000 to be transferred annually from the project reserve to the operating budget. The Fiscal Analyst desired keeping the balance at \$200,000. DFCM also previously identified an excess balance in the contingency reserve fund of \$2.5 million which could be used to fund DFCM's administration budget. Pending restoration of the general fund, the money would be available for other uses.

Kenneth Nye referred to the summary of the bills that would have the most significant impact on DFCM and the Building Board. HB86 dealt with UCAT and a provision within the legislation included an authorization for UCAT to enter into lease purchase agreements after review by DFCM and the Building Board and approval by the Legislature.

HB193 pertains to deregulation of general building contractors. The bill calls for the licensure committee at the Division of Occupational and Professional Licensure to study the need for complete or partial deregulation of building contractors. The sponsor has concern with the public thinking a license as a general contractor has more meaning than it really has based on the current level of enforcement of contractor licensure in the state.

HB228 deals with the removal or defacing of political signs. DFCM has experienced controversy with individuals placing campaign signs in front of state buildings.

SB86 pertains to the redirecting of money previously authorized for general obligation bonds for the Oxbow Jail to instead go towards the purchase of the Bournes building. This is being sponsored by Senator Knudsen.

Chair Jardine complimented Mr. Nye on his efforts of tracking the legislation.

❑ SNOW COLLEGE FOOTBALL STADIUM IMPROVEMENTS

President Michael Benson stated no state dollars would go towards the stadium. The O&M funds from the current facility would be transferred to the new stadium.

Last semester Snow College had the biggest increase in FTE growth in the state. This could possibly be attributed to the increase in music majors due to the performing arts building.

The current football stadium was built in 1965 and seats approximately 1800 people. Several infrastructure problems exist and several areas within the facility are comprised.

The new stadium would be modeled on the Rice Eccles stadium platform with a tradition room facing back into campus. It will hold approximately 3500 people and will have a two story weight room, locker facility, coaches' offices, concessions, restrooms and a visiting team locker room. A new field turf surface was previously installed in the stadium through private donor funding.

The Board of Regents granted conceptual approval of the process on January 10 with some provisions including being subject to final approval by the Regents' executive committee when more definitive information is available regarding donated funds. President Benson did not have more concrete information regarding the \$4 million, but they have agreed with DFCM to have funding for the architect by February 4, 2005. Based on

receiving the donation, they have provisional approval to proceed with razing the stadium and beginning the construction as early as mid-March or the beginning of April.

Kenneth Nye noted this project was not included on the Building Board's recommendation list for other funds, but would be proceeding to the Legislature. He suggested a motion to recommend approval if donations were available.

MOTION: Manuel Torres moved to approve the Snow College football stadium pending the donations. The motion was seconded by Steven Bankhead and passed unanimously.

❑ FACILITIES MANAGEMENT OVERVIEW

Keith Stepan welcomed the supervisors of the facilities management group. A DFCM organization chart was distributed.

Bruce Whittington stated the facilities management group operates as an internal service fund and do not receive direct appropriations from the Legislature. They sell their services and compete with the private sector in hopes to maintain and operate state facilities. They currently manage over 150 different facilities on a state wide basis, which encompasses over 5.5 million square feet with annual revenues of over \$20 million.

Mr. Whittington introduced the facility coordinators. Joe Ligor oversees the Capitol Hill facilities; Nick Radulovich oversees the Matheson Courts, the Governor's Mansion and several facilities in the Vernal region; Steve Sendobry oversees facilities in the southwest portion of the valley and the Calvin Rampton complex; Scott Whitney oversees the northwest facilities, Cannon Health, Tax Commission and facilities in Tooele; Alan Olsen is the statewide grounds manager; Ricy Jones is the energy management specialist; Marshall Carter oversees several buildings in the downtown Salt Lake area and buildings in Park City; Dwight Palmer oversees everything south of Utah County; Jeff Peterson manages all of northern Utah; and Jake Jacobson is the managing facility coordinator and oversees all of the operation and works with the facility coordinators.

Chair Jardine thanked the staff for their hard work and effort.

❑ ADMINISTRATIVE REPORTS OF THE UNIVERSITY OF UTAH AND UTAH STATE UNIVERSITY

Randall Funk, University of Utah, reported for the period of December 17, 2004, to January 7, 2005. Three new architectural engineering agreements, one new remodeling contract, and two new site improvements were awarded for the period. There was one transfer out of the contingency reserve fund to cover unforeseeable landscape repairs.

MOTION: Steve Bankhead moved to approve the administrative report of the University of Utah. The motion was seconded by Katherina Holzhauser and passed unanimously.

Darrell Hart, Utah State University, reported for the period of December 15 to January 7, 2005. There were 42 projects under delegation and 19 of those were complete or substantially complete, eight were under construction, seven were under design and eight were in planning.

Mr. Hart stated several years ago USU had a project to renovate the engineering lab building and DFCM allocated approximately \$6 million. Based on programming efforts with the College of Engineering, they proceeded with the design, but due to fund raising difficulties, they are now reconsidering their options for the project.

MOTION: Manuel Torres moved to accept the administrative report of Utah State University. The motion was seconded by Katherina Holzhauser and passed unanimously.

❑ ADMINISTRATIVE REPORTS FOR DFCM

Keith Stepan reported there was one new lease in North Davis County. There were nine new A/E agreements and 12 new construction agreements. There is a \$2.5 million excess in project reserve and contingency reserve, which has been offered back to the legislative committee for reassignment.

Mr. Stepan referred to the performance report and highlighted the authorized administrative budget. For the last three years DFCM's administrative budget has not been funded by the general funds of the state and has operated out of contingency and project reserves. Through efficiencies, DFCM has been able to operate, but needs to be funded this year.

Mr. Stepan referenced the non-state fund projects which received approval for \$162 million last year, compared to \$117 million for state funded projects. It is hopeful that DFCM will receive 1.1% funding this year, which would grant \$53 million to cover the 150 to 180 expected projects.

The Real Estate group report indicated they have an annual cost of \$20 million in leases for 1.74 million square feet.

The Facilities Management group manages 5.4 million square feet of state owned buildings and has received an 82% for their customer service rating this year. The rate charged by DFCM to maintain buildings is lower than the US Government rates, the US private industry rates and the Salt Lake private industry rates. They are funded through ISF.

The internal survey of the Professional Services Group indicated an approval rating of approximately 80%.

❑ REVIEW OF FIVE-YEAR BUILDING PROGRAM

Keith Stepan stated this assignment to the Building Board is mandated by state statutes and required each year.

Mr. Nye referred to the overview of the five year book outlining the Building Board and DFCM responsibilities and an explanation of the evaluation the Board uses each year in developing the recommendations.

The contingency reserve fund and project reserve fund report was also included as required by statute. The funding history of the capital facilities and the overview of the facilities condition assessment program showed some degree of progress some capital improvement money has been available to address the immediate needs for buildings.

The Board's five year building plan was covered within the book, as were the state funded project summaries. A similar document was also included for the non-state funded projects. The information from the project summaries came from the documents the Board reviewed in early October.

The book also addressed the requested capital improvement projects which become the basis for the recommendation they will be providing to the Board in April for allocated capital improvement requests.

The last tab dealt with the leasing report and information about leases administered by DFCM, as well as information about Higher Education leases and leases administered by the Courts.

❑ ADJOURNMENT.....

MOTION: Katherina Holzhauser moved to adjourn at 11:35am. The motion was seconded by Steve Bankhead and passed unanimously.

Minutes prepared by: Shannon Lofgreen